

## Rankings all get down to creativity

Mike Greenberg

**Publication Date** : January 25, 2004

Are **creative** people good or bad for urban **economies**?

As you've read here before, economist Richard Florida of Carnegie-Mellon University claims the cities with the best economic prospects are the ones that do the best job of attracting the "**creative** class" - designers, artists, musicians, software engineers, scientists and other knowledge workers.

Florida says cities that satisfy those folks' yen for art, music, clubbing, outdoor recreation and diversity - the prevalence of gay couples is a diversity indicator - do better than cities that don't. One reader, "debunking" Florida's thesis, referred me to "The Curse of the **Creative** Class," by Steven Malanga, in the winter 2004 issue of City Journal.

Malanga's scant and selective data fail to support his screed against taxation for "frills" such as the arts and bike trails.

He cites a National Commission on Entrepreneurship ranking of cities by the percentage of companies that grew rapidly between 1992 and 1997. The worst Malanga can say is that a few of Florida's most-**creative** cities didn't grow companies as fast as a few of the least-**creative** cities, but he offers no statistical correlation.

Curiously, he neglects the same organization's 2000 report of what entrepreneurs themselves said: "Recruiting and retention ranked at the top of entrepreneurs' concerns in every one of our focus groups. Yet the intensity of the problem varies by region. These problems are not so acute in regions with a major university and other 'quality of life' factors that attract young people." "Quality of life" factors include "entertainment and cultural amenities" and "local culture is open to risk-taking and new ideas."

Malanga also cites a Money Magazine survey asking its readers what factors they consider in choosing a place to live. Malanga observes that "such Florida-esque issues as diversity ranked 22nd on the list, while cultural amenities like theaters and museums ranked 27th and lower, and outdoor activities even lower."

But to qualify for the Money list of "Best Places to Live," the magazine's editors write, a town "had to be located no more than 60 miles from a major city. That ensures reasonable access (to) art and culture resources." The list is dominated by suburbs of cities that rank high on Florida's creativity index - in Texas, only suburbs of Houston (No. 7) and Dallas (No. 11) made the cut. The free market refutes Malanga's position. As he himself laments, highly **creative** cities are expensive to live in, but that's because they're more desirable than less-**creative** cities. Austin, No. 2 among all U.S. cities in the creativity index, is a lot more expensive than San Antonio, which ranks 55th. People pay a premium to live in Austin because they figure the benefits of a **creative** city outweigh the costs.

A city that touts its low housing and labor costs, as San Antonio does, is like a publisher that trumpets the number of its books on the remainder table.

mgreenberg@express-news.net